



## TESTIMONY CONCERNING

### SB 283 – AN ACT CONCERNING AUDITS BY THE DEPARTMENT OF SOCIAL SERVICES

Before the Human Services Committee

March 2, 2010

Senator Doyle, Representative Walker, and members of the Human Services Committee, my name is Brian Ellsworth and I am President & CEO of the Connecticut Association for Home Care & Hospice (CAHCH), whose members serve over 100,000 elderly, disabled, and terminally ill Connecticut citizens. CAHCH is pleased to provide comments **in support** of S.B. 283, which proposes to add important due process protections to Department of Social Services' (DSS) audits of providers, as well as establish a 10% error threshold prior to extrapolation of audit findings.

It is important to note that CAHCH members' experience on DSS financial audits has significantly improved from the myriad of problems we had five years ago. This improvement is no doubt due to the enactment of several bills in 2005 (Public Acts 05-195 & 272), which clarified policy on physician signatures on the plan of care and electronic recordkeeping, as well as formalized an internal DSS review process on audit findings. The Department has significantly improved its communication with home care providers, giving us better insight on audit trends and issues to watch. The improved communication has included DSS making presentations to our membership and working with us to clarify policy issues as they have arisen. We appreciate the Department's willingness to engage in a dialogue to promote compliance.

However, given the budget deficit, the Department's hiring of 12 new auditors and possibility of turnover of key personnel, concerns still remain about the use of extrapolation in DSS audits. An important concern is the difficulty that a provider would have if they were to challenge the Department's final audit findings in Superior Court. The proposed bill would remedy this problem by clearly establishing a right to go to Superior Court to challenge an administrative determination. We see this as a critical check and balance on the Department's authority to extrapolate audit findings as we sail into the headwinds of major budget deficits.

Also of concern is the ability of DSS to extrapolate audit findings even when they represent a small portion of a provider's billings and/or are of a minor clerical nature. Medicaid rates for home health providers are already 30% below the actual costs of care, further cuts through the audit process, when not accompanied by fraud or willful misconduct, are particularly troublesome.

If the General Assembly, in its infinite wisdom, is concerned that the proposed bill's error threshold of 10% is too high, we would urge you to NOT throw the baby out with the bathwater and to adopt the other changes in the bill as proposed, including the aforementioned due process protections and the clarification regarding clerical errors, and modify the proposed error threshold as necessary.

Thank you for the opportunity to present our concerns to you.